(Washington, DC) - Congressman Wally Herger today voted against H.R. 3996 , legislation concerning the alternative minimum tax (AMT) that would increase taxes by $81 billion over the next ten years to pay for needed temporary tax relief elsewhere. In effect, the legislation trades one looming tax increase for another. Herger voiced opposition to this trade off:

"If you make the same amount of money this year as you did last year, but this year you write a bigger check to the IRS, you've just experienced a tax increase. This is the underlying problem with the new tax proposals coming out of Congress to address the AMT.

"Almost 40 years ago, the AMT was created to make sure 155 of the nation's wealthiest individuals paid at least some level of tax. Yet because the law has not been adjusted for inflation, today, if Congress does not act soon, the number of taxpayers paying the AMT will rise from 4 million to 23 million in 2007. In our own Northern California congressional district, an estimated 54,000 families and individuals will be subject to the AMT this year.

"Congress should prevent the onerous alternative minimum tax from dipping into the middle class in America. It wasn't intended to reach these taxpayers, and the government was never intended to receive this tax revenue. This is why I've repeatedly supported legislation that would do away with the AMT completely.

"But today's legislation is the wrong approach for American taxpayers. In effect, the Majority's bill would pay for a temporary "patch" to the AMT that would last for one year with permanent tax increases elsewhere in our economy. That's right: temporary tax relief for permanent tax increases. The worst part of this is that next year Congress will be back at it again, raising taxes permanently to pay for another temporary AMT patch. This circular thinking guarantees us one thing: tax hikes.

"This bill is only a prelude to another, larger so-called AMT reform bill introduced by the Chairman of the Ways and Means Committee, Charlie Rangel, Democrat from New York. The tragic reality of both these bills is that they assume that the critical small business and individual tax relief of the last six years will expire after 2010. These lower taxes have benefited every American, and include the $1,000 child tax credit, the lower 10% marginal income tax rate, lower rates on investment and retirement income, and marriage penalty relief."